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European Union

Agricultural Situation

EU 2001 Budget for Fruit and Vegetables

2001

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Report Highlights:

The EU 2001 budget for fresh fruit and vegetables increased by 15% compared to 2000 and decreased by 17.5% for processed fruit and vegetables.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Brussels USEU [BE2], E2

EU Budget for Fruit and Vegetables

The European Agricultural Guidance and Guarantee Fund (EAGGF) for financial year 2001 was recently published in Official Journal L56. The guarantee section finances expenditures on agricultural market organizations and rural development measures that accompany market support. The guidance section finances other rural development measures that are not covered by the guarantee section. The budget for fresh fruit and vegetables increased by 15% compared to 2000 and decreased by 17.5% for processed fruit and vegetables. Expenditures on the fruit and vegetable sector account for 4% of the EAGGF guarantee section. Commission Regulation 544/2001 of March 21, 2001, stipulates that financial aid for operational funds is to be regarded as intervention intended to stabilize the agricultural market. The regulation applies to payments made after January 1, 2000, which means that the aid now comes under the guarantee regulation as opposed to the guidance regulation.

Table 1 - EAGGF Fresh Fruit and Vegetables			
in Euro	Appropriations 2001	Appropriations 2000	Actual 1999
Export refunds	40,000,000	40,000,000	23,161,382
Compensation for withdrawals and buying in This appropriation is intended to cover expenditure on: - financial compensation to producer organizations - processing and distribution of products withdrawn or bought in	158,000,000	165,000,000	90,566,535
Operational funds for producer organizations Intended to cover the Community's part-financing of operational funds for producer organizations	380,000,000	303,000,000	256,424,315
Specific measures for hazelnut producers	4,000,000	12,000,000	5,293,444
Nuts	94,000,000	89,000,000	93,554,646
Bananas Intended to cover: - aid to compensate for loss of income granted to Community producers who market their bananas in compliance with the common standards - single premiums granted to Community producers who cease to produce bananas	326,000,000	264,000,000	177,631,540
Other intervention Intended to cover: - expenditure resulting from grubbing up - financial contributions for the purpose of restructuring the fruit & vegetable sector most affected by the abolition of transitional measures laid down in the Act of Accession of Spain and Portugal	25,000,000	20,000,000	35,478,165
TOTAL FRESH	1,027,000,000	893,000,000	682,110,029

Processed Fruit and Vegetables			
in Euro	Appropriations 2001	Appropriations 2000	Actual 1999
Export refunds	10,000,000	12,000,000	17,281,039
Production aid for processed tomato products	215,000,000	269,000,000	321,880,587
Production aid for fruit-based products <i>Intended to cover expenditure on aid for processing peaches, pears, prunes and figs</i>	80,000,000	97,000,000	94,354,707
Production aid and intervention for dried grapes	125,000,000	131,000,000	127,835,803
Production aid for tinned pineapple	7,000,000	8,000,000	7,954,133
Compensation to encourage processing of citrus fruit	189,000,000	238,000,000	202,688,917
Production aid for processed raspberries	1,000,000	1,000,000	820,642
Specific measures Covers aid to asparagus producers	1,000,000	6,000,000	1,884,399
Other <i>Intended to cover other expenditure on fruit and vegetables and take account of:</i> <i>- amounts recovered in cases of irregularity or fraud</i> <i>- penalties and interest received</i> <i>- securities forfeited and, in particular, those to be credited to the EAGGF pursuant to the proposal for a regulation</i> <i>- amounts retained pursuant to art. 7 of reg. 595/91</i> <i>where the payment was originally entered in the accounts of this chapter. However, amounts relating to public storage operations will continue to be entered in the storage accounts.</i>	- 1,000,000	- 1,000,000	- 2,687,660
TOTAL PROCESSED	628,000,000	762,000,000	774,700,227
GRAND TOTAL	1,654,000,000	1,654,000,000	1,454,122,595

Table 2 - Breakdown of Table 1**Actual 1999 Expenditure by Member State (in million Euro)**Source: 29th Financial Report on EAGGF - Financial Year 1999 (http://europe.eu.int/comm/agriculture/fin/finrep99/index_en.htm)

Member State	Operational fund for Producer Organizations	Export Refunds	Withdrawals	Production Aid - Tomato Products	Production Aid - Fruit Based Products
Belgium	19.2	0.3	1.6	-	-
Denmark	0.5	0.0	-	-	-
Germany	10.3	1.5	1.2	-	-
Greece	1.7	10.2	9.9	52.9	20.2
Spain	72.1	13.2	31.7	47.8	19.1
France	47.6	3.7	23.1	14.4	41.4
Ireland	-	0.0	0.0	-	-
Italy	54.1	7.5	17.2	166.3	13.6
Netherlands	37.2	2.2	3.0	-	-
Austria	0.6	0.1	0.0	-	-
Portugal	0.3	0.2	0.2	40.5	0.1
Finland	0.2	0.0	-	-	-
Sweden	1.0	0.2	-	-	-
United Kingdom	11.6	1.2	2.7	-	-
TOTAL	256.4	40.5	90.6	321.9	94.4